

POSTAL NEWS

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1. Post sell-off is attack on jobs and service

by Yuri Prasad

Posted: 6.33pm Tuesday 3 March 2009

Government plans to privatise Royal Mail have the potential to become for Gordon Brown what the poll tax was to Margaret Thatcher.

They could even be what the Iraq war was to Tony Blair – a policy so widely hated that it threatens the very stability of the government.

Polls show that more than 80 percent of the public are deeply opposed to post privatisation.

The plans have created a huge row throughout the Labour Party, with more than 130 Labour MPs signing an Early Day Motion that demands Royal Mail is kept entirely in public ownership.

Nevertheless Brown and his henchman, business secretary Lord Mandelson, pushed ahead last week, introducing a bill that will allow them to sell a third of the company to the private sector.

Tories and Lib Dems gleefully rushed to offer Mandelson their backing, pointing out that the legislation could, in future, allow an even greater stake in Royal Mail to be sold without another parliamentary vote.

Outrage at post privatisation has swept the labour movement, with all the major union leaders voicing their opposition and claiming that a decision to press ahead could cost Labour the next election.

Mandelson's response to the outcry has been to argue that privatisation is the only way for Royal Mail to "modernise" and "become more efficient" – and to safeguard the future of the company's troubled pension scheme.

The words "modernisation" and "efficiency" will be familiar to anyone with experience of defending public utilities. They are euphemisms for culling jobs, cutting pay and destroying services.

And the issue of the deficit in Royal Mail's pension schemes is clearly being used as blackmail against those who resist privatisation.

The government-commissioned Hooper review into the future of postal services claims Royal Mail is less efficient than private sector mail firms in Europe because high wages mean it makes less profit.

Yet basic take home pay for a postal delivery worker outside London is just £282 for a 40-hour, six-day week. This makes Royal Mail employees among the poorest paid workers in Britain.

The government wants to open the door to venture capital vultures and European postal operators who have a track record of driving down pay and attacking conditions. Workers at Belgium's De Post/La Poste this week started a campaign of strike action against pay cuts, job losses and privatisation. In Germany, private firms opposed the introduction of a minimum wage for postal workers by threatening sackings. These are among the companies that are keen to bid for a share of Royal Mail. However, not everyone at Royal Mail is worried about pay and job security. It was revealed this week that the company's chief executive, Adam Crozier, is doing his bit to rival the disgraced heads of Britain's banking industry. His pay, bonuses and pensions package amounted to £3.5 million last year, with Royal Mail's contribution to his pension nest egg rising from 20 percent of his wages to almost 50 percent.

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2. Post office faces loss of clerks

Tuesday, March 03, 2009

By FRED CONTRADA

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NORTHAMPTON - The lines could be moving more slowly at the U.S. Post Office on Bridge Street as three clerks are scheduled to be reassigned.

The post office was notified in January that Arthur Corder, Thomas Patrick and Charles Klepacki would be assigned elsewhere this month, according to Robert Leroux, a steward in the American Postal Workers Union. The moves were made as a result of an audit done in June to determine staffing needs.

"They said there were three clerks we don't need," Leroux said. "We think we got a pretty lousy (audit) this time."

According to Leroux, the 01060 post office is already failing to meet the standards set by the U.S. Postal Service of waiting on customers in less than five minutes.

"This is going to impact service," said Leroux, who lives in Northampton and often hears criticism personally.

Because of their contracts, the employees will not be laid off but reassigned to places where there are vacancies. However, the number of local postal workers awaiting reassignment already outnumber vacancies in the area, Leroux said. The union plans to file a grievance over the reassignments, he said.

Meanwhile, Chesterfield residents are struggling to keep the doors of the West Chesterfield Post Office open. The community post office on Route 143 has 60 post boxes and delivers mail to another 24 customers. At present it is staffed by two town employees and open only 24 hours a week. Chesterfield's main post office is in the town center.

According to Selectman David B. Kielson, the U.S. Postal Service provides \$9,000 a year to keep the post office running. However, operating costs have continued to rise and the Postal Services refuses to make up the difference.

The board has recommended the matter be put to voters at the annual Town Meeting in May. Kielson estimated it would cost taxpayers \$3,000 to \$4,000 annually to keep the small post office in operation.

3. TNT Outguns Royal Mail According To Survey

03 March 2009 by David Lynch - © Hellmail.co.uk

TNT has been classed a top 100 Business Superbrand ahead of rival Royal Mail in a recent YouGov survey of the UK's strongest B2B brands for 2009, having risen 31 places in the league table since last year.

The survey was commissioned by Business Superbrands UK Ltd and canvassed the views of more than 1500 business professionals. Within the list of top 500 brands, TNT is ranked 87, ahead of Royal Mail at 99, its leading competitor in the UK postal market.

The announcement comes as TNT Post, the UK mailing arm of global parent company TNT, celebrates its fifth anniversary of becoming a downstream access provider in the UK mail market. Since signing the agreement in April 2004, TNT Post has made great strides in its mailing proposition for UK businesses. In the last 12 months, TNT Post's downstream access business has experienced a 25 per cent growth in its mailing volumes and the company now handles 2.25 billion items as year. With its broad range of services, TNT Post enables both businesses large and small to benefit from the high quality and innovative services that competition has brought to the postal market.

Nick Wells, Chief Executive, TNT Post commented: "Our year-on-year rise in the Superbrand table highlights TNT's continued success in the UK market through the TNT Express (express delivery) and TNT Post (downstream access mailing) brands.

"We are proud to hold the prestigious superbrand ranking, with the two UK divisions supporting the global TNT brand and ensuring its continued success in the UK. The continued market innovation of TNT Post, for example, has opened up the UK mailing market for small volume mailers, through initiatives such as web-based post fulfilment service, TNT-it, and PremierSort Flex, for adhoc and small volume mailings."

Building on its superbrand status, TNT Post continues to redefine the market with innovative products and initiatives that enhance its service to customers. Recent developments and achievements include:

* contributing to customers' strategies on CSR by helping them to become more 'green' in their mailings, having launched both a carbon neutral and a carbon reduction mail service. Both services meet the BSi's PAS 2020 standard.

* TNT-it, the new web-based service for small volume business mailers provides the opportunity for SMEs to benefit from postal savings for the first time. It simplifies the postal process and helps reduce an organisation's carbon footprint.

- yourStamp, a service that allows TNT Post's business customers to design their own stamps for use on their customer mailings. The new stamp aims to

help TNT Post customers create a more personalised look to their everyday mailings. In addition, yourStamp has been introduced to aid consumer cut-through and improve response rates on customers' direct mail (DM).

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4. Obama Blueprint Proposes Postal Employee Benefit Cuts

eNAPUS Legislative & Political Bulletin
February 27, 2009

Yesterday, President Obama released the outline of his Fiscal Year 2010 Budget. On page 126 of the 134-page document is a reference to the Postal Service that reads, "Realign USPS employee/employer benefit contributions." The proposal projects a 5-year cost savings to the Federal government of approximately \$4.2 billion, and a 10-year savings of about \$9.5 billion. A detailed explanation of the Blueprint is not currently available, and may not be on hand until early April. So, we are pushing for President Obama to revisit the Postal proposal in the interim. NAPUS and other postal employee groups have already communicated our displeasure to the White House and to Capitol Hill. Nevertheless, as it stands now, the proposal calls for USPS benefit contributions, on behalf of its employees, to be less than called for in existing union contracts and managerial consultative agreements.

The Blueprint, drafted by the White House Office of Management and Budget, reflects past attempts by the USPS to ratchet down employee compensation. For example, in September 2007, the Postal Service Office of Inspector General (OIG) suggested that the Postal Service reduce Postal employee benefits to the level afforded to non-postal federal employees. (Non-postal employees do not collectively-bargain over pay and benefits.) In addition, there were attempts to go after employee benefits in the Postal Reform Act; Congress rejected the requests then. NAPUS will aggressively argue for White House reconsideration of the proposal, or push for Congressional rejection once again.

Based upon discussions with knowledgeable Capitol Hill budget staff, the Budget Blueprint assumes that the USPS would cut its share of the Federal Employee Health Benefits Program (FEHBP) premium from 82% to 72% of the "weighted average premium" and would reduce its contribution of the Federal Employee Groups Life Insurance (FEGLI) contribution from 100% to 33%. Currently, the USPS Professional Career Executive Service (PCES) and OIG directors receive 100% FEHBP and FEGLI benefits. To get at these assumed savings, Congress would have to strip the right to collective bargaining over benefits from current law. This process is known as "Budget Reconciliation." However, it is questionable how the Federal budget would profit from this proposal, because the benefits are NOT funded by taxpayers. In addition, the total premium remitted to the Office of Personal Management (government revenue) would not change. It would still add up to the same revenue number: the sum of the employee and the employer contributions.

It is a long way from Blueprint to Reconciliation – the protracted 2010 Budget process is just beginning. Consequently, NAPUS may recalibrate our legislative agenda for our 21-day-away Leadership Conference to deal with the Budget Blueprint, if it's still an issue.

5. Retiree Equity Bills Introduced

This week, legislation was introduced in both Houses of Congress that would help level the playing field for federal and postal retirees.

First, Rep. Chris Van Hollen (D-MD) introduced H.R. 1203, “the Federal and Military Retiree Health Care Equity Act.” The legislation enjoys the cosponsorship of 16 Members of Congress. H.R. 1203 would permit federal and postal retirees to pay their health insurance premiums on a pre-tax basis. As a result, Federal retirees would save approximately \$820 per year. NAPUS endorsed the bill, along with many other Federal and Postal employee groups. In his Press Release, Rep. Van Hollen quoted NAPUS President Dale Goff:

Our nation’s Postmasters commend Rep. Van Hollen for introducing legislation that would treat health benefit premiums similarly for active and retired Federal employees. It makes absolutely no sense to grant different tax treatment for exactly the same benefits, depending on whether the individual is working or retired. If the benefit is tax-preferred, it should not discriminate based on employment status.

H.R. 1203 has been referred to three House Committees: Oversight and Government Reform, Ways and Means, and Armed Services. Sen. Jim Webb (D-VA) introduced S. 491, the Senate companion to H.R. 1203. The Senate bill currently has 10 cosponsors and has been referred only to the Senate Finance Committee.

Also, this week, Sen. Diane Feinstein (D-CA) introduced S. 484. The Feinstein bill has 10 cosponsors. It would repeal the Government Pension Offset and the Windfall Elimination Provision. It is the Senate companion to H.R. 235, which was introduced by Rep. Howard Berman (D-CA) earlier this year. The Berman Bill has 194 cosponsors.

6. Appropriations Bill Passes House

On Wednesday, the House passed H.R. 1105, “the Omnibus Appropriations Act of 2009”, by a 245-178 majority. In September 2008, Congress passed a “Continuing Resolution”, which provides funds through March 6, 2009. Consequently, H.R. 1105 funds government operations through end of the 2009 Fiscal Year, September 31, 2009.

H.R. 1105 includes a number of provisions that relate to the Postal Service. First, the appropriations bill provides funds to continue the subsidy for non-profits organizations to send their charitable mailings. Second, the measure reimburses the Postal Service for the cost of mailing overseas ballots and mail for the blind. The bill also restates Congressional commitment to universal mail service. Specifically, the measure specifically repudiates recent calls to reduce 6-day mail delivery. In addition, H.R. 1105 prohibits the use of appropriated funds to “consolidate or close small rural and other small post offices.” House Financial Services and General Government Appropriations Subcommittee Chairman Jose Serrano (D-NY) and Ranking Republican Jo Ann Emerson (R-MO) are strong supporters of a universal mail system.

We anticipate that the Senate will be taking up the Omnibus Appropriations legislation next week. Historically, House and Senate appropriations language relating to the Postal Service has been identical.

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7. Postal Workers In Belgium Begin Protest

03 March 2009 by Franz Groter - © Hellmail.co.uk

Postal workers in Belgium took to the streets today to protest over downgrading of jobs, post office closures and what they say are outrageous profits being made by stakeholders in the service.

Workers are furious that state-owned Danish post is to sell almost 25% of its stake in Belgium's postal service to private equity partners CVC, making a profit of 200m euros in just three years and that full-time jobs are being replaced by part-timers.

The strike is expected to continue for three days and has already had an impact on services.

Earlier this month, the Court of First Instance overturned the European Commission's approval of 297m euros in state aid for Belgium's postal service after Deutsche Post asked the European Court of First Instance to examine the case. Deutsche Post's DHL subsidiary competes with the Belgian postal service.

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